

SENATE BILL 112

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2004 Regular Session
4r0619

By: **Senators Frosh, Miller, Currie, Britt, Brochin, Conway, DeGrange, Dyson, Exum, Forehand, Garagiola, Giannetti, Gladden, Green, Grosfeld, Hogan, Hollinger, Hughes, Jimeno, Jones, Kasemeyer, Kelley, Klausmeier, Kramer, Lawlah, McFadden, Pinsky, Ruben, Stone, and Teitelbaum**

Introduced and read first time: January 21, 2004
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Access to Quality in Higher Education Act of 2004**

3 FOR the purpose of requiring the Governor to include in the annual budget
4 submission for a certain fiscal year a certain amount of general fund State
5 support for public senior higher education institutions; requiring the Governor
6 to include in the annual budget submission for certain fiscal years for public
7 senior higher education institutions an increase in the amount of general fund
8 State support of a certain percentage per certain full-time equivalent resident
9 student; requiring certain appropriations in a certain fiscal year be made to
10 certain public senior higher education institutions under certain circumstances;
11 providing that certain funding may not supplant certain funding to certain
12 public senior higher education institutions; requiring the Board of Regents of
13 the University System of Maryland to submit a biannual report beginning on a
14 certain date regarding certain policies and procedures; prohibiting certain
15 governing boards of public senior higher education institutions from
16 implementing a tuition rate for a certain academic year greater than a certain
17 amount; limiting, to no more than a certain percent for certain academic years,
18 the amount of the annual increase in tuition that may be charged each academic
19 year to a resident undergraduate student at a public senior higher education
20 institution in Maryland; providing that a certain tuition limitation only applies
21 if the general fund appropriation for public senior higher education institutions
22 in a certain fiscal year has increased a certain amount over the preceding fiscal
23 year; declaring the intent of the General Assembly; defining certain terms; and
24 generally relating to State support for and tuition at public senior higher
25 education institutions in Maryland.

26 BY repealing and reenacting, with amendments,
27 Article - Education
28 Section 10-101
29 Annotated Code of Maryland
30 (2001 Replacement Volume and 2003 Supplement)

1 BY adding to
2 Article - Education
3 Section 11-105(i)(6), (7), and (8), 12-114, and 15-106.3
4 Annotated Code of Maryland
5 (2001 Replacement Volume and 2003 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
7 MARYLAND, That the Laws of Maryland read as follows:

8 **Article - Education**

9 10-101.

10 (a) In this division the following words have the meanings indicated.

11 (b) "Commission" means the Maryland Higher Education Commission.

12 (c) "Charter" means the Maryland Charter for Higher Education.

13 (d) "Governing board" means:

14 (1) The Board of Regents of the University System of Maryland;

15 (2) The Board of Regents of Morgan State University;

16 (3) The Board of Trustees of St. Mary's College of Maryland; and

17 (4) The Board of Trustees of Baltimore City Community College.

18 (e) "Governing body" means:

19 (1) A governing board;

20 (2) A board of trustees of a community college;

21 (3) The governing entity of nonpublic institutions of higher education; or

22 (4) The governing entity of a regional higher education center.

23 (f) (1) "Institution of postsecondary education" means a school or other
24 institution that offers an educational program in the State for individuals who are at
25 least 16 years old and who have graduated from or left elementary or secondary
26 school.

27 (2) "Institution of postsecondary education" does not include:

28 (i) Any adult education, evening high school, or high school
29 equivalence program conducted by a public school system of the State; or

1 (ii) Any apprenticeship or on-the-job training program subject to
2 approval by the Apprenticeship and Training Council.

3 (g) "Institution of higher education" means an institution of postsecondary
4 education that generally limits enrollment to graduates of secondary schools, and
5 awards degrees at either the associate, baccalaureate, or graduate level.

6 (h) "Private career school" means a privately owned and privately operated
7 institution of postsecondary education other than an institution of higher education
8 that furnishes or offers to furnish programs, whether or not requiring a payment of
9 tuition or fee, for the purpose of training, retraining, or upgrading individuals for
10 gainful employment as skilled or semiskilled workers or technicians in recognized
11 occupations or in new and emerging occupations.

12 (i) "Program" or "educational program" means an organized course of study
13 that leads to the award of a certificate, diploma, or degree.

14 (j) "Public senior higher education institution" means:

15 (1) The constituent institutions of the University System of Maryland;

16 (2) Morgan State University; and

17 (3) St. Mary's College of Maryland.

18 (K) "RESIDENT STUDENT" MEANS A STUDENT CLASSIFIED AS "IN STATE" FOR
19 THE PURPOSES OF TUITION PURSUANT TO THE POLICY OR REGULATION OF THE
20 GOVERNING BOARD OF THE PUBLIC SENIOR HIGHER EDUCATION INSTITUTION IN
21 WHICH THE STUDENT IS ENROLLED.

22 [(k)] (L) "Regional higher education center" means a higher education facility
23 in the State that:

24 (1) Includes participation by two or more institutions of higher education
25 in the State;

26 (2) Consists of an array of program offerings;

27 (3) Offers multiple degree levels; and

28 (4) Is either affiliated with an institution of higher education or is
29 established by statute.

30 [(l)] (M) "Secretary" means the Secretary of Higher Education.

31 [(m)] (N) "State Plan for Higher Education" means the plan for postsecondary
32 education and research required to be developed by the Maryland Higher Education
33 Commission under § 11-105(b) of this article.

1 11-105.

2 (i) (6) (I) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET
3 SUBMISSION FOR FISCAL YEAR 2006 AN AMOUNT OF GENERAL FUND STATE SUPPORT
4 EQUAL TO AT LEAST THE FOLLOWING AMOUNTS:

- | | | | |
|---|----|--------------------------------------|---------------|
| 5 | 1. | UNIVERSITY OF MARYLAND SYSTEM | \$863,963,359 |
| 6 | 2. | MORGAN STATE UNIVERSITY | 53,039,757 |
| 7 | 3. | ST. MARY'S COLLEGE OF MARYLAND | 15,479,552 |

8 (II) BEGINNING IN FISCAL YEAR 2007 AND EACH FISCAL YEAR
9 THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET
10 SUBMISSION FOR PUBLIC SENIOR HIGHER EDUCATION INSTITUTIONS AN INCREASE
11 IN THE AMOUNT OF GENERAL FUND SUPPORT OVER THE PREVIOUS FISCAL YEAR OF
12 AT LEAST 5 PERCENT PER FULL-TIME EQUIVALENT RESIDENT STUDENT BASED ON
13 THE REQUEST YEAR PROJECTED ENROLLMENTS.

14 (7) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, IN
15 ADDITION TO THE SUMS APPROPRIATED IN THE BUDGET BILL FOR FISCAL YEAR 2005,
16 THE FOLLOWING APPROPRIATIONS SHALL BE MADE:

- | | | |
|----|----|--|
| 17 | 1. | \$76,615,198 TO THE UNIVERSITY SYSTEM OF MARYLAND; |
| 18 | 2. | \$2,326,254 TO MORGAN STATE UNIVERSITY; AND |
| 19 | 3. | \$1,059,560 TO ST. MARY'S COLLEGE OF MARYLAND. |

20 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL TAKE EFFECT
21 UPON:

22 1. ENACTMENT OF A SUPPLEMENTARY APPROPRIATION
23 BILL THAT INCLUDES A FUNDING SOURCE; OR

24 2. THE GOVERNOR INCLUDING FUNDS IN A SUPPLEMENTAL
25 BUDGET TO COVER THE APPROPRIATION.

26 (8) FUNDING DISTRIBUTED UNDER THIS SUBSECTION MAY NOT BE
27 USED TO SUPPLANT FUNDING OTHERWISE DISTRIBUTED IN ACCORDANCE WITH THE
28 STATE'S PARTNERSHIP AGREEMENT WITH THE UNITED STATES DEPARTMENT OF
29 EDUCATION, OFFICE OF CIVIL RIGHTS TO:

30 (I) BOWIE STATE UNIVERSITY;

31 (II) COPPIN STATE COLLEGE;

32 (III) MORGAN STATE UNIVERSITY; OR

33 (IV) UNIVERSITY OF MARYLAND, EASTERN SHORE.

1 12-114.

2 (A) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE UNIVERSITY
3 SYSTEM OF MARYLAND IMPROVE ITS EFFECTIVENESS AND EFFICIENCY AND
4 REDUCE ITS COST STRUCTURE BY BECOMING THE NATIONAL LEADER IN
5 TRANSFORMING THE BUSINESS MODEL OF PUBLIC HIGHER EDUCATION TO PROVIDE
6 WORLD CLASS EDUCATION, RESEARCH, AND PUBLIC SERVICE AT BELOW AVERAGE
7 COSTS.

8 (B) ON OR BEFORE NOVEMBER 1, 2005 AND ON NOVEMBER 1 EVERY SECOND
9 YEAR THEREAFTER, THE BOARD OF REGENTS SHALL SUBMIT, IN ACCORDANCE WITH
10 § 2-1246 OF THE STATE GOVERNMENT ARTICLE, A REPORT ON THE POLICIES AND
11 PROCEDURES IT HAS IMPLEMENTED IN ACCORDANCE WITH SUBSECTION (A) OF THIS
12 SECTION TO THE HOUSE APPROPRIATIONS AND WAYS AND MEANS COMMITTEES AND
13 THE SENATE BUDGET AND TAXATION AND EDUCATION, HEALTH, AND
14 ENVIRONMENTAL AFFAIRS COMMITTEES.

15 15-106.3.

16 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
17 INDICATED.

18 (2) "ACADEMIC YEAR" MEANS THE PERIOD COMMENCING WITH THE
19 FALL SEMESTER AND CONTINUING THROUGH THE IMMEDIATELY FOLLOWING
20 SUMMER SESSION AT A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION.

21 (3) "GOVERNING BOARD" HAS THE MEANING STATED IN § 10-101(D)(1),
22 (2), AND (3) OF THIS ARTICLE.

23 (4) (I) "TUITION" MEANS THE CHARGES AND FEES APPROVED BY THE
24 GOVERNING BOARD OF A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION WHICH
25 ARE REQUIRED OF ALL UNDERGRADUATE RESIDENT STUDENTS BY THE
26 INSTITUTION AS A CONDITION OF ENROLLMENT REGARDLESS OF THE STUDENT'S
27 DEGREE PROGRAM, FIELD OF STUDY, OR SELECTED COURSES.

28 (II) "TUITION" DOES NOT INCLUDE:

29 1. FEES DEDICATED TO SUPPORT AUXILIARY ENTERPRISES
30 AND OTHER SELF-FUNDED ACTIVITIES OF A PUBLIC SENIOR HIGHER EDUCATION
31 INSTITUTION; OR

32 2. A FEE REQUIRED ONLY FOR ENROLLMENT IN A SPECIFIC
33 DEGREE PROGRAM, FIELD OF STUDY, OR COURSE WHEN THAT FEE IS NOT REQUIRED
34 OF UNDERGRADUATE RESIDENT STUDENTS AT THE PUBLIC SENIOR HIGHER
35 EDUCATION INSTITUTION FOR ENROLLMENT IN OTHER DEGREE PROGRAMS, FIELDS
36 OF STUDY, OR COURSES.

37 (B) FOR THE ACADEMIC YEAR BEGINNING IN THE FALL OF 2004, A GOVERNING
38 BOARD MAY NOT APPROVE AND A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION
39 MAY NOT IMPLEMENT A TUITION GREATER THAN THE SUM OF:

1 (1) THE TUITION CHARGED IN THE FALL OF 2002; AND

2 (2) 80% OF THE INCREASE IN TUITION BETWEEN THE FALL OF 2002 AND
3 THE FALL OF 2003.

4 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, FOR THE
5 ACADEMIC YEAR BEGINNING IN THE FALL OF 2005 AND EACH ACADEMIC YEAR
6 THROUGH THE FALL OF 2014, A GOVERNING BOARD MAY NOT APPROVE, AND A
7 PUBLIC SENIOR HIGHER EDUCATION INSTITUTION MAY NOT IMPOSE, AN INCREASE
8 IN THE TUITION CHARGED FOR AN ACADEMIC YEAR TO A RESIDENT
9 UNDERGRADUATE STUDENT AT THE INSTITUTION THAT EXCEEDS 4 PERCENT OF
10 THE AMOUNT CHARGED FOR TUITION AT THE INSTITUTION THE PRECEDING
11 ACADEMIC YEAR.

12 (2) THE TUITION LIMITATION IN PARAGRAPH (1) OF THIS SUBSECTION
13 ONLY APPLIES IF THE GENERAL FUND APPROPRIATION FOR PUBLIC SENIOR HIGHER
14 EDUCATION INSTITUTIONS IN THE CURRENT FISCAL YEAR HAS INCREASED AT
15 LEAST 5 PERCENT OVER THE APPROPRIATION FOR THE PRECEDING FISCAL YEAR
16 PURSUANT TO § 11-105(I)(6) OF THIS ARTICLE.

17 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
18 General Assembly to move the sum of the State General Fund appropriation and
19 tuition for University System Institutions, on a per student basis, to at least the
20 average of their peer institutions as determined by the Maryland Higher Education
21 Commission, in order to be consistent with Chapter 246 of the Acts of 1988, which
22 formed the University System of Maryland, and with Chapter 515 of 1999, also
23 known as the Larson Commission.

24 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the
25 General Assembly that the State should set a goal of 90% of the funding guidelines to
26 be continued beyond 2013 in order to maintain the level of investment needed for
27 quality and to hold spending below the average of comparable universities to
28 encourage efficiency.

29 SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the
30 General Assembly to continue to support Maryland's historically black institutions in
31 accordance with the agreement reached between the State of Maryland and the
32 United States Department of Education, Office of Civil Rights in December 2000.

33 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 July 1, 2004.